

FOR WIRE TRANSMISSION 10:00 A.M. ET, Thursday, December 11, 2003

CB-03-189

MANUFACTURING AND TRADE INVENTORIES AND SALES **October 2003**

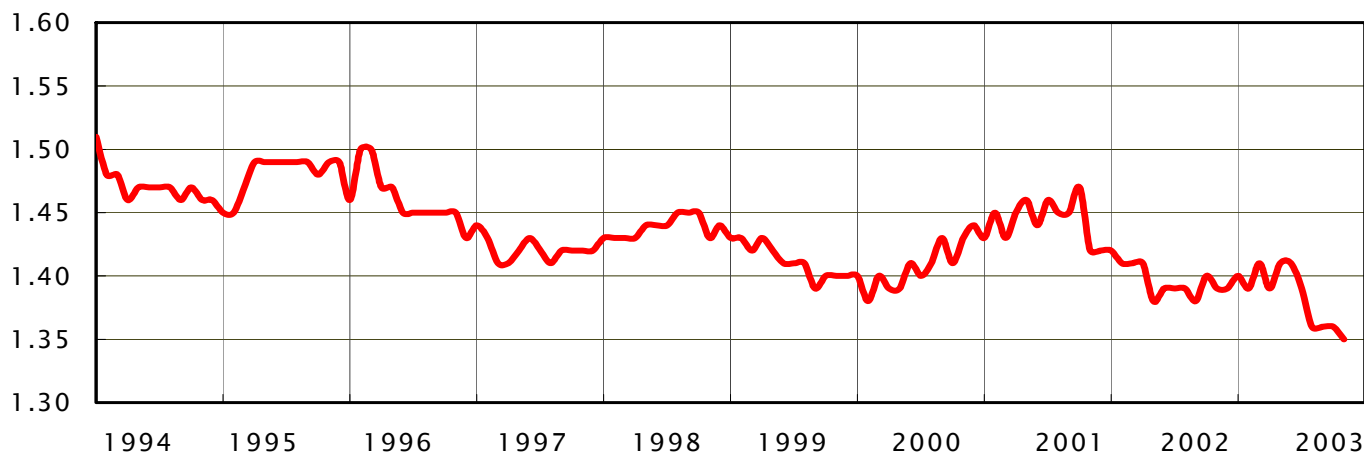
Sales. The Census Bureau of the Department of Commerce announced today that the combined value of distributive trade sales and manufacturers' shipments for October, adjusted for seasonal and trading-day differences but not for price changes, were estimated at \$875.5 billion, up 0.7 percent ($\pm 0.2\%$) from September and up 5.1 percent ($\pm 0.3\%$) from October 2002.

Inventories. Manufacturers' and trade inventories adjusted for seasonal variations but not for price changes, were estimated at an end-of-month level of \$1,182.8 billion, up 0.4 percent ($\pm 0.2\%$) from September and up 1.9 percent ($\pm 0.4\%$) from October 2002.

Inventories/Sales Ratio. The total business inventories/sales ratio based on seasonally adjusted data at the end of October was 1.35. The October 2002 ratio was 1.39.

Total Business Inventories/Sales Ratios: 1994 to 2003

(Data adjusted for seasonal, holiday and trading-day differences but not for price changes)



The Manufacturing and Trade Inventories and Sales Report for November is scheduled for release January 16, 2004 at 8:30 a.m. Questions concerning this report may be addressed to: Scott Scheleur (301) 763-2713 (Retail), Dan Sansbury (301) 763-4832 (Manufacturing), or Nancy Piestro (301) 763-2747 (Wholesale). Electronic inquiries may be sent to: retail.trade@census.gov.

The wholesale and manufacturing data in this report also appear in the following monthly Census Bureau publications: Current Industrial Reports (see M3 series for manufacturers data) and Current Business Reports (see BW series for merchant wholesalers). Retail data are available on the Census website at <http://www.census.gov/mrts/www/mrts.html>. October data was released December 5 for Manufacturers and December 9 for merchant wholesalers. The data are also available the day of issue on the Internet- <http://www.census.gov/bussales> - and on Department of Commerce's STAT-USA website; for information, call (202) 482-1986.

Table 1. Estimated Monthly Sales and Inventories for Manufacturers, Retailers, and Merchant Wholesalers
(In millions of dollars)

	Sales			Inventories ¹			Inventories/Sales Ratios		
	Oct. 2003	Sep. 2003	Oct. 2002	Oct. 2003	Sep. 2003	Oct. 2002	Oct. 2003	Sep. 2003	Oct. 2002
	(p)	(r)	(s)	(p)	(r)	(s)			
Adjusted									
Total business.....	875,505	869,199	833,161	1,182,838	1,178,322	1,160,528	1.35	1.36	1.39
Manufacturers ³	339,857	337,598	329,349	438,483	438,294	443,545	1.29	1.30	1.35
Retailers.....	288,813	289,594	272,197	453,154	450,337	431,093	1.57	1.56	1.58
Merchant wholesalers.....	246,835	242,007	231,615	291,201	289,691	285,890	1.18	1.20	1.23
Not Adjusted									
Total business.....	908,446	885,256	860,379	1,209,643	1,171,390	1,187,083	1.33	1.32	1.38
Manufacturers ³	355,433	357,911	341,009	441,923	438,210	447,245	1.24	1.22	1.31
Retailers.....	288,708	279,478	270,824	473,205	446,055	451,108	1.64	1.60	1.67
Merchant wholesalers.....	264,305	247,867	248,546	294,515	287,125	288,730	1.11	1.16	1.16

See footnotes and notes at the end of Table 3.

(p) Preliminary.

(r) Revised.

(s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

Table 2. Percent Changes for Sales and Inventories — Manufacturers, Retailers, and Merchant Wholesalers

	Adjusted						Not Adjusted					
	Sales			Inventories			Sales			Inventories		
	Oct. 03/ Sep. 03	Sep. 03/ Aug. 03	Oct. 03/ Oct. 02	Oct. 03/ Sep. 03	Sep. 03/ Aug. 03	Oct. 03/ Oct. 02	Oct. 03/ Sep. 03	Sep. 03/ Aug. 03	Oct. 03/ Oct. 02	Oct. 03/ Sep. 03	Sep. 03/ Aug. 03	Oct. 03/ Oct. 02
Total business.....	0.7	0.9	5.1	0.4	0.4	1.9	2.6	1.3	5.6	3.3	1.3	1.9
Manufacturers.....	0.7	1.8	3.2	0.0	-0.3	-1.1	-0.7	6.5	4.2	0.8	-1.1	-1.2
Retailers.....	-0.3	-0.2	6.1	0.6	1.1	5.1	3.3	-6.7	6.6	6.1	4.0	4.9
Merchant wholesalers..	2.0	1.0	6.6	0.5	0.3	1.9	6.6	4.0	6.3	2.6	0.9	2.0

Table 3. Estimated Monthly Retail Sales, Inventories, and Inventories/Sales Ratios, By Kind of Business
(In millions of dollars)

NAICS Code	Kind of Business	Sales			Inventories ¹			Percent Change In Inventories			Inventories/Sales Ratios		
		Oct. 2003 (p)	Sep. 2003 (r)	Oct. 2002 (s)	Oct. 2003 (p)	Sep. 2003 (r)	Oct. 2002 (s)	Oct. 03/ Sep. 03	Sep. 03/ Aug. 03	Oct. 03/ Oct. 02	Oct. 03	Sep. 03	Oct. 02
	Adjusted ²												
	Retail trade, total.....	288,813	289,594	272,197	453,154	450,337	431,093	0.6	1.1	5.1	1.57	1.56	1.58
	Total (excl. motor veh. & parts).....	213,677	213,356	201,769	296,308	295,740	286,538	0.2	0.9	3.4	1.39	1.39	1.42
441	Motor vehicle & parts dealers.....	75,136	76,238	70,428	156,846	154,597	144,555	1.5	1.7	8.5	2.09	2.03	2.05
442,3	Furniture, home furn., elect. & appl. stores..	17,026	16,861	15,498	28,191	27,669	26,302	1.9	1.0	7.2	1.66	1.64	1.70
444	Building materials, garden equip & supplies..	28,116	27,692	25,110	46,286	46,301	42,942	0.0	2.1	7.8	1.65	1.67	1.71
445	Food & beverage stores.....	42,799	42,931	41,034	34,609	34,953	33,650	-1.0	0.4	2.8	0.81	0.81	0.82
448	Clothing & clothing access. stores.....	15,071	15,064	14,535	36,342	36,585	35,551	-0.7	-0.4	2.2	2.41	2.43	2.45
452	General merchandise stores.....	40,291	40,332	38,608	66,991	66,695	65,097	0.4	1.2	2.9	1.66	1.65	1.69
4521	Dept. strs. (excl. leased depts.).....	18,080	18,266	18,931	36,568	36,465	37,460	0.3	0.9	-2.4	2.02	2.00	1.98
	Not Adjusted												
	Retail trade, total.....	288,708	279,478	270,824	473,205	446,055	451,108	6.1	4.0	4.9	1.64	1.60	1.67
	Total (excl. motor veh. & parts).....	214,875	203,597	201,172	320,723	303,122	310,293	5.8	4.5	3.4	1.49	1.49	1.54
441	Motor vehicle & parts dealers.....	73,833	75,881	69,652	152,482	142,933	140,815	6.7	2.8	8.3	2.07	1.88	2.02
442,3	Furniture, home furn., elect. & appl. stores..	16,514	15,932	15,000	31,151	27,863	28,985	11.8	4.3	7.5	1.89	1.75	1.93
444	Building materials, garden equip & supplies..	29,814	28,143	26,687	45,823	45,514	42,427	0.7	2.9	8.0	1.54	1.62	1.59
445	Food & beverage stores.....	42,877	41,349	40,733	35,613	34,779	34,665	2.4	2.5	2.7	0.83	0.84	0.85
448	Clothing & clothing access. stores.....	14,612	13,574	13,939	40,630	39,256	39,782	3.5	4.2	2.1	2.78	2.89	2.85
452	General merchandise stores.....	39,284	35,820	37,122	77,862	70,631	75,678	10.2	9.1	2.9	1.98	1.97	2.04
4521	Dept. strs. (excl. leased depts.).....	17,542	15,887	17,960	42,967	38,799	43,978	10.7	9.8	-2.3	2.45	2.44	2.45

(p) Preliminary (r) Revised (s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

¹ Inventories are on a non-LIFO basis as of the end of the month.

² Adjusted for seasonal variations and, in the case of sales, for trading-day differences and holiday variations. Concurrent seasonal adjustment is being used to adjust all sales, shipment and inventory estimates. Concurrent seasonal adjustment uses all available unadjusted estimates as input to the X-12-ARIMA program. The factors derived from the program are applied to the current and previous month estimates and for retail and wholesale estimates a year ago as well. For retail sales, concurrent seasonal adjustment is also used to adjust the advance estimates (published one month before the preliminary estimates) and the estimates one year before the advance month. This explains the revision to retail estimates from a year ago.

³ Manufacturers sales refer to the value of shipments by manufacturers. The shipments data from individual manufacturers are adjusted prior to tabulation for the number of trading days as well as for any variations in the length of the reporting period.

Note: U.S. and group totals include kinds of business not shown. The Manufacturing and Trade Inventory and Sales estimates are based on data from three surveys: the Monthly Retail Trade Survey, the Monthly Wholesale Trade Survey, and the Manufacturers' Shipments, Inventories, and Orders Survey. The sampling variability for retailers and merchant wholesalers can be used to construct a 90 percent confidence interval for the estimates. Over all possible samples, 90 percent of such intervals will cover the true estimate. These intervals are given in parentheses for the estimates on the front page. If, for example, the estimate is up 0.8 percent and the margin of sampling error is ± 1.2 percent, the 90 percent confidence interval is -0.4 percent to +2.0 percent. If the range contains 0, it is uncertain whether there was an increase or decrease. Measures of reliability for Retail and Wholesale sales and inventory levels and changes are included in the detailed monthly press releases for those industries. Manufacturers do not contribute to estimates of sampling variability because the manufacturer's mail panel is not a probability sample from a known frame and standard errors of the industry estimates cannot be calculated. Estimates from all three surveys are also subject to nonsampling errors, which can arise in any stage of the survey. Such errors include coverage error (failure to accurately represent all population units in the sample) response errors, coding errors, and nonresponse. Although no direct measurement of these errors has been obtained, precautionary steps were taken in all phases of the collection, processing, and tabulation of the data to minimize their influence.